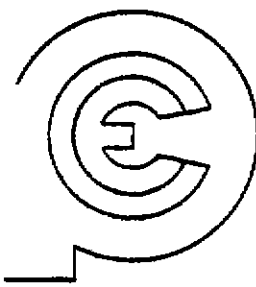


DIRECTOR'S
REPORT
JANUARY 1983

CALIFORNIA
POSTSECONDARY
EDUCATION
COMMISSION



The Director's Reports of the California Postsecondary Education Commission are a monthly series of papers about issues affecting colleges and universities in California. Copies are sent to Commissioners and to college and university officials for their information, and are available from the Commission offices at 1020 Twelfth Street, Sacramento, California 95814; telephone (916) 445-7933.

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February 1981: The 1981-82 Governor's Budget; Summary of Current Legislation.

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May 1981: State Legislation; Report of the Adult Education Commission.

July 1981: Effects of the 1981-82 Budget on the Three Public Segments of Postsecondary Education.

October 1981: Summary of the 1981-82 Budget of the State of California; Summary of Current Legislation. Supplement: Fall 1981 Developments in State Finance.

November 1981: Public Postsecondary Enrollment for Fall 1981; Federal Budget Cuts Affecting Postsecondary Education; Issues in Postsecondary Education of Students with Disabilities.

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May 1982: Overview of the Commission's Recommendations to the Governor and the Legislature in Response to Assembly Concurrent Resolution 81.

June-July 1982: Appropriations in the 1982-83 State Budget for the Public Segments of Postsecondary Education; High-Technology and Energy-Related Manpower in the West; Summary of Current Legislation.

September 1982: The 1982-83 State Budget and the Public Segments of Postsecondary Education.

October 1982: The State's Fiscal Situation for the First Quarter, 1982-83; State Legislation; Recommendations Affecting Higher Education of the California Commission on Industrial Innovation.

December 1982: The State's Fiscal Situation in 1982-83 and Possible Effects on Postsecondary Education.

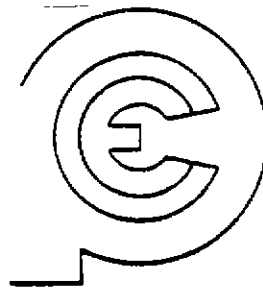
DIRECTOR'S REPORT

JANUARY 1983

Preliminary Review of Provisions in the 1983-84
Governor's Budget Regarding Postsecondary Education

Opening Fall 1982 Enrollments
in California Colleges and Universities

Current Status of the "Investment in People" Programs



CALIFORNIA POSTSECONDARY EDUCATION COMMISSION

1020 Twelfth Street, Sacramento, California 95814

Commission Report 83-1
January 1983

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PRELIMINARY REVIEW OF PROVISIONS IN THE
1983-84 GOVERNOR'S BUDGET REGARDING
POSTSECONDARY EDUCATION

The following nine tables provide a preliminary review of the Governor's Budget for 1983-84, pending a more thorough review in the February Director's Report following discussions with the Department of Finance and further analysis.

The first three tables show the major components of expenditures and estimates of General Fund revenues for 1983-84. The revenue projections assume a level of recovery in California's economy which would result in a 20 percent increase in personal income tax collections and a 9.7 percent rise in overall revenues for the State's General Fund.

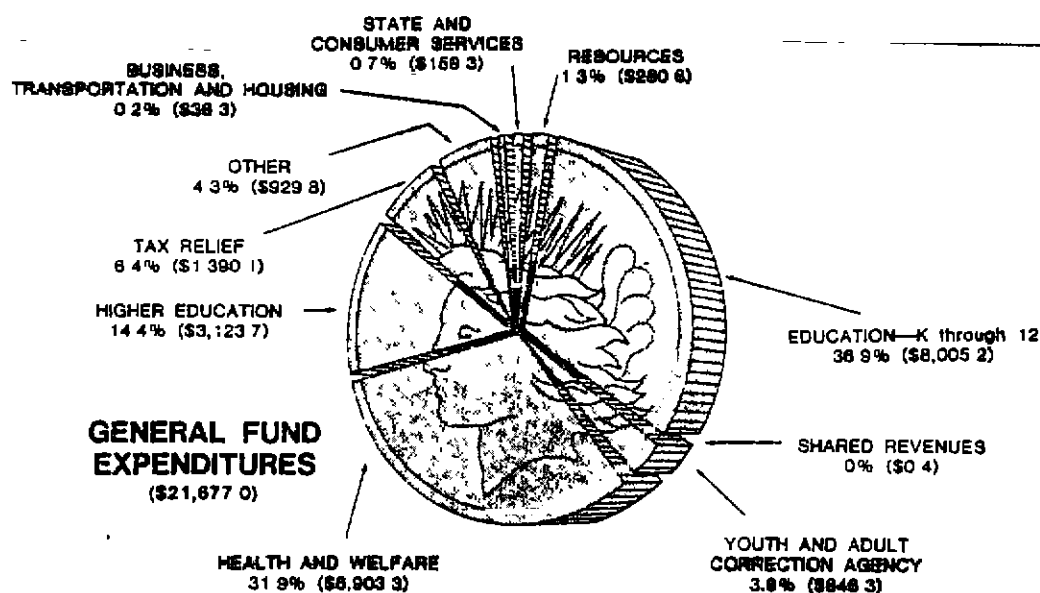
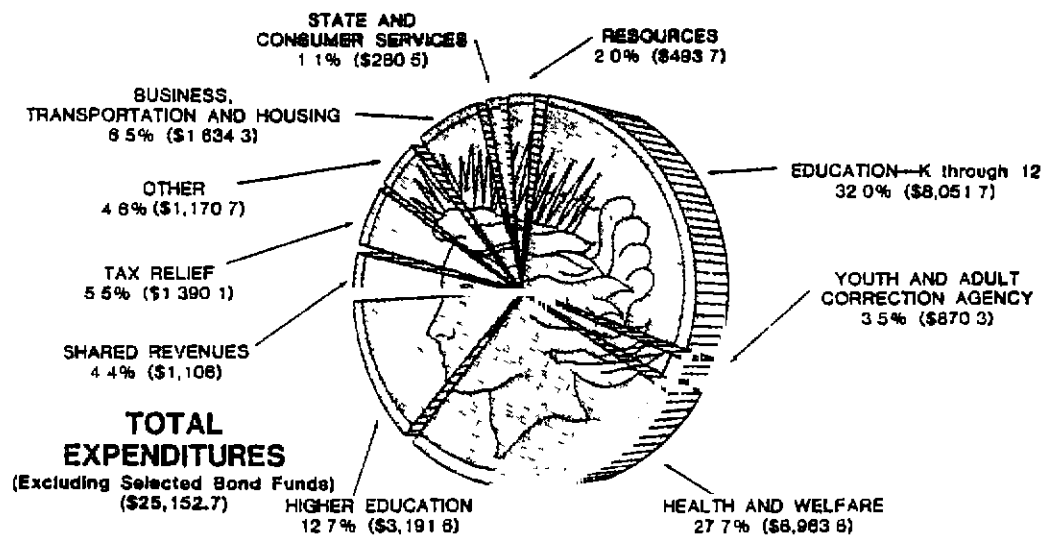
Table 4 displays the Governor's general strategies for dealing with a \$1.5 billion deficit in 1982-83 and for balancing the budget in 1984-85. In his budget, the Governor recommends a plan for dealing with one-half of the \$1.5 billion problem by identifying "options," a package of spending cuts, deferrals, funding shifts, and borrowing from special funds. These options will save \$750 million by the end of 1982-83, but the Governor's Budget does not address the remaining \$750 million deficit. If this strategy is accepted by the Legislature, it will mean that the 1983-84 Budget will have to "pay back" a large debt incurred in 1982-83 before beginning to fund the State's activities for next year.

The next four tables summarize the levels of funding in the Governor's Budget for the three public segments of higher education and for the Student Aid Commission. For each segment, these are the lowest proposed levels (compared to the prior fiscal year) in recent history. For the State University and for the first time at the California Community Colleges, the Budget proposes large student fee increases to offset millions of dollars of reductions in State General Funds. Projected enrollment increases are funded at the University and the State University though not for the Community Colleges, pending legislative action on their new finance bill. Merit salary adjustments are eliminated from the budgets of the four-year segments and the Community Colleges receive no cost-of-living adjustments. Grants administered by the Student Aid Commission are increased by 3 percent.

In terms of capital outlay, Table 9 shows that the Governor's Budget contains \$21.6 million in Capital Outlay Funds for Public Higher Education (COPHE funds), the smallest amount in the Budget for major capital projects since the Fund was established 15 years ago. These restrictions occur because half of the tidelands oil revenues, from which the Capital Outlay Fund draws its revenues, are being used to support the State's General Fund.

Overall, three initial observations about the Governor's Budget are in order. First, the current year's deficit is not dealt with in its entirety, thus placing next year's budget in considerable doubt. Second, revenue estimates for 1983-84 are optimistic although possible, assuming a strong economic recovery in California. Third, student fees will constitute a substantially higher proportion of total educational expenditures in public postsecondary education than in the past.

**TABLE 1 Budget Expenditure Dollars in Millions,
1983-84 Fiscal Year**



Source: Governor's Budget, p. A-9.

TABLE 2 Total State Expenditures, All Funds

	<u>Revised 1982-83</u>	<u>Proposed 1983-84</u>
General Fund	\$22,057,000	\$21,677,000
Special Funds	<u>3,554,000</u>	<u>3,476,000</u>
Budget Totals	\$25,611,000	\$25,153,000
Selected Bond Funds	<u>580,000</u>	<u>585,000</u>
TOTALS INCLUDING BOND FUNDS	\$26,191,000	\$25,738,000

Source: Department of Finance Budget Briefing, January 10, 1983.

TABLE 3 State General Fund Resources

	<u>1982-83</u>	<u>1983-84</u>
Prior Year Resources	\$ 116,000	\$ 6,000
Revenues and Transfers	<u>20,490,000</u>	<u>22,479,000</u>
Total Resources Available	\$20,606,000	\$22,485,000
Expenditures	\$22,057,000	\$21,677,000
Reserves:		
Continuing Appropriations	\$ 6,000	\$ 3,000
Economic Uncertainties	---	650,000
Future Legislation	<u>---</u>	<u>150,000</u>
Anticipated Legislative Actions to Balance the 1982-83 Budget	\$ 1,457,000	\$ ---
BALANCE AVAILABLE	---	\$ 5,000

Source: Department of Finance Budget Briefing, January 10, 1983.

**TABLE 4 General Strategies in the Governor's Budget
for 1982-83 and 1983-84**

Phase No. 1—(Current Year)

Options to offset the 1982-83 deficit are:

	<i>(Dollars in Millions)*</i>
1 Freeze expenditures in the following areas and apply savings toward reducing the deficit	
a 2 percent unallotment (State Operations)	\$70
b Defer further capital outlay for the current year	50
c Defer school maintenance one year	65
d Substitute bond funds for school Tidelands construction funds	90
e Defer the State's contribution to addressing the State Teachers' Retirement unfunded liability for 6 mos	118
Subtotal	<u>\$393</u>

* Subject to change dependent upon the current level of legal obligations committed.

2. Transfers to the General Fund from the following funds.

a Renewable Resources Investment Fund	\$1
b Emergency Telephone Number Account	49
c Special Account for Capital Outlay (Corrections)	10
d Toll Bridge Authority	13
e Surface Mining and Reclamation Account	1
f Transportation Planning and Development Account	15
g Ride Sharing and Alternative Transportation Fund	6
Subtotal	<u>\$95</u>
3 Reduction in selected General Fund programs	
a Health and Welfare—various program reductions	\$75
b Education—reduction to offset unanticipated decrease in PERS contribution and miscellaneous adjustments	75
c General Government—various program reductions	4
d Reduction in Local Government Fiscal Relief	108
Subtotal	<u>\$262</u>

TOTAL POSSIBLE OPTIONS \$750

Phase No. 2—(Budget Year)

	<i>(Dollars in Millions)</i>
1 Reserve for Economic Uncertainties	\$650
The 1983-84 budget contains a 3 percent reserve for economic uncertainties. All or part of this reserve could be used to finance the deficit.	
2 Cost-of-Living Adjustment (COLA) ..	926
The 1983-84 budget proposes COLAs totaling \$926 million. These proposals include a 6 percent COLA for K-12 education and 5 percent COLA for State employees. Other COLAs proposed are generally at 3 percent. All or part of the COLAs could be reduced to finance the deficit.	

3 Capital Outlay	133
The 1983-84 budget proposes \$133 million for capital outlay. All or part of these projects could be deferred to next year and the funds dedicated to them used to finance the deficit.	
4 Reserve for Financial Legislation	150
The 1983-84 budget contains a \$150 million reserve for financial legislation enacted after the budget is adopted. All or part of this reserve could be used to finance the deficit.	
5 Local Government Fiscal Relief	100
The 1983-84 budget proposes \$5.8 billion in local government fiscal relief. A reduction of \$100 million could be made to help reduce the deficit.	
6 Second Year Savings from Phase 1 Reductions	60

Source: Governor's Budget, pp. A-17, A-18.

TABLE 5 University of California Support for Current Operations in the Governor's Budget, 1983-84

Category	1982-83 (Estimated)	1983-84 (Budgeted)
State General Funds (Programs)	\$1,148,438,000 ^a	\$1,181,113,000 (+2.8%)
Capital Outlay Fund for Public Higher Education	\$ 16,729,000	\$ 18,983,000
Energy and Resources Fund	\$ 695,000	\$ 730,000
Other State Funds	\$ 1,189,000	\$ 1,225,000
TOTAL, STATE PROGRAM FUNDS IN THE GOVERNOR'S BUDGET	\$1,167,451,000 ^a	\$1,202,051,000 (+3.0%)
Less Merit Salary Increase, Per Section 9.25 of the Budget Bills	Not Applicable	-\$ 17,100,000
TOTAL, STATE PROGRAM FUNDS IN THE BUDGET BILLS AS INTRODUCED		\$1,184,951,000 (+1.5%)
Student Fee Increase (\$150 per student)		\$ 18,450,000
Increase Serving as an Offset to State Funds	\$14,760,000	
Student Financial Aid	\$ 3,690,000	
Pro-rata Share of Augmentation for Employee Compensation ^b		\$ 46,164,000 ^b

a. This does not reflect the 2 percent reduction imposed by the Governor on January 3, 1983.

b. The Governor's Budget provides \$210,559,000 of State General Funds for the 1983-84 employee compensation program. The funds will be allocated to salary or benefit enhancements through the collective bargaining process for those agencies and institutions so organized, or through the regular budget process for those not so. Therefore, no specific amount is identified for compensation at the University of California. For analytical purposes only, the \$46.2 million used here represents the University's pro-rata amount of the total funds, assuming it receives exactly the same proportion of the General Funds as were received in 1981-82--the last year for salary cost-of-living adjustments.

Note: This is based on a preliminary review, and the totals are subject to slight change, based on further discussions with officials.

TABLE 6 California State University Support for Current Operations in the Governor's Budget, 1983-84

Category	1982-83 (Estimated)	1983-84 (Budgeted)
State General Funds (Programs)	\$928,950,000 ^a	\$ 914,570,000 (-1.6%)
Capital Outlay Fund for Public Higher Education	\$ 9,820,000	\$ 10,093,000
TOTAL, STATE PROGRAM FUNDS IN THE GOVERNOR'S BUDGET	\$938,770,000 ^a	\$ 924,663,000 (-1.5%)
Less Merit Salary Increases, Per Section 9.25 of the Budget Bills	Not Applicable	-\$ 20,200,000
TOTAL, STATE PROGRAM FUNDS IN THE BUDGET BILLS AS INTRODUCED		\$ 904,463,000 (-3.7%)
Student Fee Increase (\$230 per student)		\$ 73,572,000
Increase Serving as an Offset to State Funds		\$58,572,000
Student Financial Aid		\$15,000,000
Pro-rata Share of Augmentation for Employee Compensation ^b		\$ 42,062,000 ^b

a. This does not reflect the 2 percent reduction imposed by the Governor on January 3, 1983.

b. The Governor's Budget provides \$210,559,000 of State General Funds for the 1983-84 employee compensation program. The funds will be allocated to salary or benefit enhancements through the collective bargaining process for those agencies and institutions so organized, or through the regular budget process for those not so. Therefore, no specific amount is identified for compensation at The California State University. For analytical purposes only, the \$42 million used here represents the State University's pro-rata share of the total funds, assuming it receives exactly the same proportion of the General Funds as it received in 1981-82--the last year for salary cost-of-living adjustments.

Note: This is based on a preliminary review, and the totals are subject to slight change, based on further discussions with officials.

TABLE 7 California Community Colleges Support for Current Operations in the Governor's Budget, 1983-84

Category	1982-83 (Estimated)	1983-84 (Budgeted)
General District Apportionments	\$1,024,719,000	\$ 884,943,000
Extended Opportunity Programs and Services (EOPS)	\$ 25,390,000	\$ 26,178,000
Services for Disabled Students	\$ 18,396,000	\$ 18,948,000
State Operations (General Fund) (Chancellor's Office, Board of Governors, Statewide Programs)	\$ 3,476,000	\$ 3,676,000
Deferred Maintenance (Capital Outlay Fund for Public Higher Education)	\$ 6,000,000	\$ 6,000,000
Property Tax Revenues	\$ 382,100,000	\$ 412,400,000
Proposed Student Fees	--	\$ 109,500,000
TOTAL SUPPORT FOR CURRENT OPERATIONS AND STATE OPERATIONS	\$1,460,081,000	\$1,461,645,000 (+0.1%)

Note: This is based on a preliminary review of the Governor's Budget, and the totals are subject to change, based on further discussions with officials.

**TABLE 8 California Student Aid Commission Appropriations
Recommended in the Governor's Budget, 1983-84**

Category	1982-83 <u>(Estimated)</u>	1983-84 (Budgeted)
State General Funds for Grants and Administration	\$ 82,278,000 ^a	\$ 81,437,000
Cost-of-Living Adjustment (COLA)	--	\$ 2,655,000
TOTAL, STATE GENERAL FUNDS	\$ 82,278,000 ^a	\$ 84,092,000 (+2.2%)
State Guaranteed Loan Reserve Fund	\$ 7,089,000	\$ 4,465,000
Federal Funds	\$ 11,800,000	\$ 11,800,000
TOTAL SUPPORT	\$101,167,000 ^a	\$100,357,000 (-0.8%)

a. This does not reflect the 2 percent reduction imposed by the Governor on January 3, 1983.

Note: This is based on a preliminary review of the Governor's Budget, and the totals are subject to change, based on further discussions with officials. These numbers do not reflect several other proposals from the Administration, such as possible reductions in merit salary adjustments or increases in employee compensation. Most of the proposals, however, would not affect the levels of the proposed grants.

**TABLE 9 *Capital Outlay for Public Postsecondary Education
Recommended in the Governor's Budget, 1983-84***

<u>Segment</u>	1983-84 (Budgeted)
UNIVERSITY OF CALIFORNIA	
Capital Outlay Fund for Public Higher Education	\$ 5,500,000
Energy and Resources Fund	\$ 2,154,000
Non-State Funds	\$181,772,000
TOTAL	\$189,426,000
CALIFORNIA STATE UNIVERSITY	
Capital Outlay Fund for Public Higher Education	\$ 8,000,000
Energy and Resources Fund	\$ 2,345,000
Non-State Funds	\$ 13,611,000
TOTAL	\$ 23,956,000
CALIFORNIA COMMUNITY COLLEGES	
Capital Outlay Fund for Public Higher Education	\$ 8,119,000
State Construction Program	\$ 34,000
District Funds	\$ 2,838,000
TOTAL	\$ 10,991,000

OPENING FALL 1982 ENROLLMENTS IN CALIFORNIA COLLEGES AND UNIVERSITIES

Each year the Commission prepares two reports dealing with enrollment in California's degree granting colleges and universities. The first and present report provides a preliminary overview of opening Fall 1982 enrollments. The second report, providing a more detailed analysis of enrollment trends, will be issued in April.

SOURCES OF DATA

Each public segment is requested to forward information on enrollments to Commission staff by January 1 of each year. The present report summarizes Fall 1982 information for all nine campuses of the University of California and all 19 campuses of the California State University. The Chancellor's Office of the California Community Colleges has been able to provide enrollment information on only 39 of the 106 Community Colleges. Thus, discussion of enrollments in the Community Colleges is limited. In addition, many of California's more than 300 independent colleges and universities have not reported their Fall 1982 enrollments to the Commission, but this report includes preliminary enrollment estimates for them based on the 60 member institutions of the Association of Independent California Colleges and Universities.

For purposes of this report, "enrollment" means "headcount credit enrollment"--that is, students enrolled in regular programs leading to a degree.

GENERAL OVERVIEW

Of the three public segments, only the University of California experienced an increase in its enrollment in Fall 1982 over Fall 1981. In Fall 1982, 139,138 students enrolled compared to 138,726 in 1981--an increase of 0.3 percent (Table 1). At The California State University, enrollments decreased from 319,566 in Fall 1981 to 315,811 in Fall 1982--a 1.2 percent decline (Table 2). Recent estimates by the California Community Colleges Chancellor's Office show a 5 percent decline in enrollments from Fall 1981 to Fall 1982. A percentage decline of this size would correspond to a 60,000-person decrease in the number enrolled from roughly 1.26 million to 1.20 million.

Independent college and university enrollment, estimated at approximately 200,000 students, experienced a 0.9 percent increase.

TABLE 1 *University of California Opening Fall Enrollments, 1981 and 1982, by Campus*

<u>Campus</u>	<u>1981</u>	<u>1982</u>	<u>Percent Change</u>
Berkeley	30,405	29,296	-3.6
Davis	19,274	19,321	+0.2
Irvine	11,058	11,270	+1.9
Los Angeles	34,609	34,568	-0.1
Riverside	4,764	4,787	+0.5
San Diego	12,312	13,102	+6.4
San Francisco	3,739	3,819	+2.1
Santa Barbara	15,706	16,158	+2.9
Santa Cruz	6,859	6,817	-0.6
TOTAL	138,726	139,138	+0.3

SOURCE System Administration, University of California

TABLE 2 *California State University Opening Fall Enrollments, 1981 and 1982, by Campus*

<u>Campus</u>	<u>1981</u>	<u>1982</u>	<u>Percent Change</u>
Bakersfield	3,400	3,334	-1.9
Chico	14,276	14,024	-1.8
Dominguez Hills	8,269	8,322	+0.6
Fresno	16,243	16,170	-0.4
Fullerton	23,284	23,399	+0.5
Hayward	11,483	11,624	+1.2
Humboldt	7,460	7,047	-5.5
Long Beach	31,928	32,034	+0.3
Los Angeles	22,180	21,668	-2.3
Northridge	28,026	28,134	+0.4
Pomona	16,170	16,558	+2.4
Sacramento	22,662	21,671	-4.4
San Bernardino	4,961	5,060	+2.0
San Diego	33,714	31,642	-6.1
San Francisco	24,467	24,386	-0.3
San Jose	24,945	25,427	+1.9
San Luis Obispo	16,392	15,486	-5.5
Sonoma	5,423	5,552	+2.4
Stanislaus	4,283	4,276	-0.2
TOTAL	319,566	315,811	-1.2

SOURCE Chancellor's Office, California State University

SHIFTS IN GRADUATE AND UNDERGRADUATE ENROLLMENTS

One of the most significant changes for public colleges and universities in Fall 1982 was the decline in the proportion and number of graduate students enrolled at both the University and the State University. This decline may have been, in part, a function of increases in fee levels enacted by both segments, as predicted by the Commission's student charges model.

Independent institutions, however, experienced an opposite trend, showing increases in both the proportion and number of graduate students enrolled.

- At the State University, the number of graduate students decreased by nearly 5 percent from Fall 1981 to Fall 1982, and their proportion of total enrollments decreased from 21.3 percent to 20.5 percent.
- Similarly, University graduate enrollments decreased by 3.5 percent, and their proportion of total enrollments dropped from 28.7 percent to 27.6 percent.
- Independent college and university graduate enrollments increased by 1.4 percent, while their proportion of total enrollments increased from 39.6 percent to 40.0 percent.
- The proportion of undergraduate students expressed as a percent of total students enrolled thus increased at both the State University and the University, and decreased at the independent segment.
 - At the State University, even though the number of undergraduates enrolled remained virtually the same, their proportion increased by nearly one percentage point to 70.5 percent.
 - At the University, both the proportion and number of undergraduates increased--from 71.3 percent to 72.4 percent.
 - For independent institutions, the number of undergraduates decreased by 1.3 percent, while their proportion of all students decreased--from 55.6 percent to 54.9 percent.

DROP IN PART-TIME ENROLLMENTS

The number of students enrolled part time (i.e., taking less than three-fourths of the normal required load) decreased at both the State University and the University, but increased at independent colleges and universities.

- State University part-time undergraduate enrollment decreased by 3.7 percent, while part-time graduate student enrollment dropped 6.3 percent.
- University part-time undergraduate enrollment declined by 2.2 percent, while that for part-time graduate students plummeted by 21.3 percent--from 2,219 to 1,747.

- Independent part-time undergraduate enrollment increased by 1.9 percent, while part-time graduate student enrollment increased by 2.1 percent.

SMALL INCREASES IN FIRST-TIME FRESHMEN

Despite a continuing decrease in the number of California high school graduates, both the State University and the University showed increases in the number of first-time freshmen enrolling in Fall 1982. This increase at the public senior segments may possibly be attributed to a moderate decline in the number of first-time freshmen at Independent Colleges and Universities.

- At the State University, the number of first-time freshmen enrolled increased by 103 students or 0.4 percent.
- Similarly, University first-time freshman enrollment increased by 216 students or 1.1 percent.
- First-time freshmen enrollment at independent institutions, however, decreased by 3.8 percent, while the enrollment of full-time first-time freshmen at this segment is estimated to have decreased by 4.1 percent.

MIXED TRENDS IN MEN'S AND WOMEN'S ENROLLMENTS

The proportion of women enrolled at the University increased from 45.9 percent in Fall 1981 to 46.5 percent in Fall 1982. At the State University, however, their proportion decreased slightly for the first time in recent years, from 52.4 to 52.3 percent. (Data on the distribution of men and women enrolled in independent institutions is not currently available.)

- The enrollment of both men and women undergraduates increased at the University, by 0.7 percent and 2.9 percent, respectively. At the State University, women undergraduates' enrollment remained relatively constant, while male undergraduate enrollment decreased by 0.5 percent.
- Both the University and the State University experienced significant declines in the number of graduate men and women: The University's male graduate enrollment declined by 3.7 percent, while female graduate enrollment decreased by 3.2 percent.
- State University male graduate enrollment decreased 3.8 percent, and female graduate enrollment decreased 5.7 percent.

Tables 3, 4, and 5 present a summary of trends discussed in the prior sections.

TABLE 3 *University of California Opening Fall Enrollment, 1981 and 1982, by Category of Student*

	Undergraduate			Graduate			Total		
	1981	1982	Percent Change	1981	1982	Percent Change	1981	1982	Percent Change
Male	50,456	50,827	+0.7	24,562	23,655	-3.7	75,018 (54.1%)	74,473 (53.5%)	-0.7
Female	48,500	49,924	+2.9	15,208	14,732	-3.2	63,708 (45.9%)	64,665 (46.5%)	+1.5
Full-Time	91,062	93,027	+2.2	37,551	36,640	-2.4	128,613 (92.7%)	129,667 (93.2%)	+0.8
Part-Time	7,894	7,724	-2.2	2,219	1,747	-21.3	10,113 (7.3%)	9,471 (6.8%)	-6.3
First-Time Freshmen	19,245	19,461	+1.1	-	-	-	-	-	-
TOTAL	98,956 (71.3%)	100,751 (72.4%)	+1.8%	39,770 (28.7%)	38,387 (27.6%)	-3.5	138,726 (100.0%)	139,138 (100.0%)	+0.3

SOURCE: Systemwide Administration, University of California

TABLE 4 *California State University Opening Fall Enrollment, 1981 and 1982, by Category of Student*

	Undergraduate			Graduate			Total		
	1981	1982	Percent Change	1981	1982	Percent Change	1981	1982	Percent Change
Male	123,616	123,028	-0.5	28,648	27,564	-3.8	152,264 (47.6%)	150,592 (47.7%)	-1.1
Female	127,938	128,107	+0.1	39,364	37,112	-5.7	167,302 (52.4%)	165,219 (52.3%)	-1.2
Full-Time	178,609	180,894	+1.3	14,629	14,677	+0.3	193,238 (60.5%)	195,571 (61.9%)	+1.2
Part-Time	72,945	70,241	-3.7	53,383	49,999	-6.3	126,328 (39.5%)	120,240 (38.1%)	-4.8
First-Time Freshmen	25,902	26,005	+0.4	-	-	-	-	-	-
TOTAL	251,554 (78.7%)	251,135 (79.5%)	-0.2	68,012 (21.3%)	64,676 (20.5%)	-4.9	319,566 (100.0%)	315,811 (100.0%)	-1.2

SOURCE: Chancellor's Office, California State University

TABLE 5 Independent College and University Opening Fall Enrollment, 1981 and 1982, by Category of Student

	Undergraduate			Graduate		
	1981	1982	Percent Change	1981	1982	Percent Change
Full-Time	77,536	76,408	-1.2	31,038	31,276	+0.8
Part-Time	11,910	12,142	+1.9	32,559	33,241	+2.1
First-Time Freshmen	18,303	17,614	-3.8	-	-	-
TOTAL	89,446 (55.6%)	88,550 (54.9%)	-1.3	63,597 (39.6%)	64,517 (40.0%)	+1.4

	Unclassified			Total		
	1981	1982	Percent Change	1981	1982	Percent Change
Full-Time	2,310	2,314	+0.2	110,884 (69.0%)	109,998 (68.3%)	-0.8
Part-Time	5,416	5,767	+6.5	49,883 (31.0%)	51,150 (31.7%)	+2.5
First-Time Freshmen	-	-	-	-	-	-
TOTAL	7,726 (4.8%)	8,081 (5.0%)	+4.6	160,769 (100.0%)	161,148 (100.0%)	+0.9

SOURCE Association of Independent California Colleges and Universities

1 Based on 60 member-campus of the Association of Independent California Colleges and Universities. The figures above include actual data for 57 campuses, and estimates based on fall 1981 data for Chapman College, University of Redlands, and the University of Southern California.

SUMMARY

While these data indicate that California's public postsecondary enrollments are generally stable, they depict a decline in the ratio of graduate to undergraduate students, a shift from part-time to full-time enrollment, and different shifts between men's and women's enrollment at the University and State University. Estimates for independent colleges and universities show an increase in their proportion of graduate students, a shift from full-time to part-time enrollment among undergraduates, and a potentially significant decrease in the number of first-time freshmen.

CURRENT STATUS OF THE "INVESTMENT IN PEOPLE" PROGRAM

ORIGINS OF THE PROGRAM

In his State of the State address on January 7, 1982, Governor Brown unveiled a new program to improve the level of technological literacy in California--a program he termed an "investment in people." The program had three primary goals:

- to improve the quantity and quality of mathematics and science instruction in California's public high schools;
- to improve engineering, computer science, and related science instruction and research at California's universities; and
- to improve and expand vocational education for new information-based jobs through job-based training as a cooperative effort of the Community Colleges, the Department of Employment Development, and councils of labor and industry.

To this end, the Governor proposed augmentations of \$48.8 million to the 1982-83 budgets of educational segments and certain State agencies, including:

- \$19.6 million to the Department of Education for improving mathematics, science, and computer education in the elementary and secondary schools;
- \$4.0 million to the University of California for promoting engineering, computer science, and related basic science education and research;
- \$3.0 million to The California State University for enhancing engineering and computer science curricula; and
- \$11.0 million to the California Community Colleges for expanding high technology job-based vocational training and business-labor-education training councils.

LEGISLATIVE ACTION ON THE PROGRAM

While the objectives of this program were widely recognized as important State goals, legislators expressed concern about starting a new program when State resources may be insufficient for continued support of existing programs.

Because the economy continued to deteriorate during the spring of 1982, the Legislature reduced the Governor's proposed budget by \$1.7 billion to

achieve a balanced budget. In the final hours of the Budget Conference Committee's deliberations, the following budgetary allocations for the Investment in People program were made to the education segments:

- \$9.35 million to the Department of Education;
- \$1.0 million to the University of California;
- \$2.25 million to The California State University; and
- \$1.9 million for the California Community Colleges

With the allocation, the Conference Committee included Supplemental Language to the 1982-83 Budget Act which asked the segments to:

report on the allocation of funds for the Investment in People program to the Department of Finance and the legislative budget committees within 90 days of the enactment of the 1982 budget act [Items 6100-191-001(1), 6440-001-001 (17), 6610-001-001(17), 6870-001-001(2)].

The segments submitted these reports as requested. The following summary of segmental activities is based on them

DEPARTMENT OF EDUCATION ACTIVITIES

The primary objective of the Department's portion of the Investment in People program is staff development, particularly in the areas of mathematics and science and, secondarily, curriculum development. Its funding supports the following efforts:

- local staff development efforts primarily in the areas of math, science, and/or the use of computers in grades 7-12;
- regional Teacher Education and Computer (TEC) Centers;
- Bilingual Teacher Training Center as described in the Bilingual Teacher Training Assistance Program [Chapter 1169 (AB 1379) Statutes of 1981]; and
- Instruction Development and Exemplary Programs funding through the Council on Technology Education (established under AB 3266) and which must be distributed as follows:
 - \$880,000 to MESA (Mathematics, Engineering, Science Achievement) on a matching funds basis;
 - \$100,000 to Teacher Education and Computer Centers for computer institutes;

- \$100,000 for the Institute for Computer Literacy; and
- \$1.26 million for exemplary projects and demonstration programs in reading and mathematics.

UNIVERSITY OF CALIFORNIA ACTIVITIES

Because the University of California had already implemented several efforts in the area of science and engineering improvement, its highest current priorities are the procurement of instructional equipment in engineering and computer science and the retention of minority engineering and science students. Of its \$1 million, it allocated \$875,000 to the eight general campuses for the purchase of state-of-the-art instructional equipment. Each campus received \$20,000 plus a proration of the remaining \$715,000 according to its number of upper division majors in engineering and computer science enrolled in Fall 1981. The eight campuses were encouraged to seek matching funds from other sources.

The \$125,000 allocated for retention of minority engineering and science students was distributed to six campuses (excluding Riverside and Santa Cruz) enrolling the largest number of these students. The six were urged to work with MESA to insure the effective use of funds.

For 1983-84, the University has requested an additional \$1 million to purchase new instructional equipment for engineering and computer science. This amount represents less than 10 percent of its estimated need in this area.

CALIFORNIA STATE UNIVERSITY ACTIVITIES

The California State University followed its original plan of distributing its Investment in People funds on the basis of competitive proposals submitted by those campuses with existing engineering and computer science degree programs. This process generated \$5.1 million in requests for the \$2.25 million of available funds.

In accordance with the State University's plan, it provided allocations in three categories:

- Category I: Faculty Development and Program Productivity Improvement Activities. All eligible campuses requesting funding in this area received some award for such activities as faculty retraining and curricular development. Funding in this category totaled \$835,000, or 37.5 percent of the funds available.
- Category II: Programs to Improve the Recruitment and Retention of Women and Ethnic Minorities in Engineering and Computer Science. Seven campuses received awards under this category, and several of

them incorporated the MESA model for recruitment and retention. Funding in this category was \$246,000, or 10.9 percent of the funds available.

- Category III: Purchase of New and Replacement Instructional Equipment. As in Category I, all campuses requesting funds in this area received some award, but they were required to show past and current commitments to the purchase of instructional engineering equipment from their own instructional equipment budget. Funding in this category was 51.7 percent of total funds available, or \$1.163 million

For 1983-84, the State University submitted a request for a \$17.2 million budget augmentation to fund a comprehensive program to address its instructional resource needs caused by rapidly developing and changing technologies in engineering, business, and computer science.

CALIFORNIA COMMUNITY COLLEGE ACTIVITIES

The California Community Colleges also utilized the competitive proposal process to allocate their Investment in People funds. Twenty-seven Community College sites qualified for funding. The major purposes of their programs are to expand employer-based training in high technology fields and stimulate and coordinate matching-fund support from other sources for this training.

The Community College programs include funds for the following purposes:

- New Programs in High and Emerging Technologies. This component emphasizes on-the-job training and, where appropriate, uses the model of the California Worksite Educational Training Act, which includes worksite instruction and employers' commitments to employ successful program participants. Funding includes \$800,000 of program funds, \$900,000 of federal Vocational Education Act funds, and funds from an assortment of other public and private sources.
- Private Sector Support for Worksite-Based Training. This component is similar to the first but includes a higher degree of involvement by the private sector in planning, design, implementation, and funding of worksite training. Support includes \$550,000 from this program's funds matched by at least \$550,000 from the private sector.
- Retraining Displaced Workers. This component focuses on retraining workers displaced by plant closures and layoffs and coordinates retraining programs with those of the Department of Employment Development. Programs in fields with high-employment potential, and which build on workers' existing skills, received priority consideration. Funding includes \$550,000 of program funds, \$275,000 from General Motors and the United Automobile Workers, and other available funds where appropriate.

CONCLUSION

Legislative approval of \$14.5 million in Investment in People appropriations for educational segments for 1982-83 demonstrated that State policy makers share the following perceptions:

- the value to the State's economy and its industrial base of increased worker productivity and consumer literacy in high technology areas;
- the need for improvements in the quality of mathematics and science training in all educational segments; and
- the importance of new State monies to support and encourage such improvements.

While the need for such efforts will be no less compelling in the future, State budget projections for the coming 1983-84 fiscal year do not hold promise for sustaining these efforts. Although it is too early to evaluate the effectiveness of these efforts, the discussion of this program has served to draw attention to an important area of concern to post-secondary education. If current-year support is not continued, perhaps those current-year efforts that show potential for success can be sustained within the segments by internal reallocation and by private sector support.